In the Supreme Court of the United States

OCTOBER TERM, 1922.

CONCRETE STEEL COMPANY, PETITIONER,
v.
GEORGE E. VANDENBURGH. } No. 238.

ON WRIT OF CERTIORARI TO THE UNITED STATES DISTRICT COURT FOR THE SOUTHERN DISTRICT OF NEW YORK.

BRIEF FOR THE UNITED STATES AS AMICUS CURIÆ.

STATEMENT.

The United States is a party defendant in the Court of Claims in a suit brought under reissued patent No. 14182, entitled, "*George E. Vandenburgh* v. *United States*, No. 195–A." wherein the sum of $500,000 is claimed as compensation for the Government's use. The same claims of reissued patent No. 14182, viz, claims 1, 2, 3, 4, and 5 are in issue in that case as are here for consideration in *George E. Vandenburgh* v. *Truscon Steel Company*, No. 273, and the *Concrete Steel Company* v. *George E. Vandenburgh*, No. 238, on writs of certiorari directed to the Courts of Appeal of the Sixth and Second Circuits, respectively.

HISTORY OF REISSUED PATENT NO. 14182.

Original patent No. 841741 to Vandenburgh, issued January 22, 1907, and notwithstanding the great

activity and interest in the art of reinforced concrete building since that date this reissue was not applied for until July 1, 1916, nine years and five months after the inventor had received his original grant.

It seems incredible that the inventor when he first examined his original patent should not have at once recognized and immediately pushed his claim that the patent did not correctly set forth his invention. This is particularly forceful when a comparison of the reissue is made with the original patent. That the claims have been illegally broadened in their scope by reissue is an inescapable conclusion and no equitable theory or doctrine can possibly excuse the nine years delay. The many decisions of this court as to pertinent reissues, and most emphatically in *Miller* v. *Bridgeport Brass Company*, 104 U. S., page 350, hold that a two-year period of delay between the issuance of an original and an application for a reissued patent, creates a presumption of impropriety as to the grant that must be clearly explained. It is submitted that Vandenburgh has not satisfactorily rebutted the presumptive force of the nine years' delay, and that his reissue is of no force and effect.

THE REISSUE IS VOID FOR LACHES, AS DISTINCT FROM DELAY.

But the reissue is also void for laches in applying. The use of the word "rigid" in claims 1 and 2 to characterize the structure was obvious upon taking the patent out of its envelope. It required only the most ordinary intelligence to appreciate the fact

that "rigid" and "permanent" were not the same thing; and indeed, that a structure described as "permanent" was a wholly different thing from one described as "rigid." Anyone who pretends to a knowledge of engineering is familiar with these facts and knows the difference. The inventor is clearly chargeable with laches from the time that his original letters patent issued up to the time of his application for reissue, since the public, the third party in every patent litigation, was entitled to suppose that he had dedicated to its service the "permanent" fastening which he now seeks to monopolize, if that had been of his invention. But if this were not so he is certainly chargeable with notice from the time that this "rigidity" was directly called to his attention. On page 21 of the transcript in case 238, in his own deposition (taken in 1918) in the suit against the Electric Welding Company and introduced here by stipulation, he said:

> Q. When did you find out that that defect existed in your original patent?
>
> A. I found out several years ago; but I never have taken it up in a place where it should be taken up and go ahead with it.
>
> 30. Q. What do you mean by several years ago? Does that mean two or three?
>
> A. Well, I first made a study of it trying to get it on the market after the earthquake in San Francisco. I went to Washington, D. C., and got there on the 21st of July, 1906, right after the earthquake. The final patent papers were delivered to me on the 7th of January.

31. Q. Then at that time you discovered that the claims had in them the word "rigidly?"

A. Not at that time—well, no.

32. Q. When did you discover that?

A. In 1909 along about that time.

33. Q. You then discovered they had in them the word "rigidly?"

A. Yes, I got that from a concrete engineer in looking them over.

And from 1909 to 1916 he made no move to correct the alleged error. "The pretense in this case that there was an inadvertence and oversight which had escaped the notice of the patentee for fifteen (seven) years, is too bald for human credence. (*Miller* v. *Bridgeport Brass Company, supra.*)

But in spite of that, he asserts in his oath, transcript, page 122 (124), that—

> "With respect to claim 1 that he has claimed as his invention *more* than he had a right to claim as new; that *as soon* as said errors came to his knowledge and attention he applied for this reissue."

The inventor is an elderly man of no great education, and probably signed whatever was put before him without investigation, possibly with no adequate comprehension of its meaning. This does not, however, lessen the force of the improper statements contained in the oath, or make that true, which on its face, and on his own admission on the stand, was false when signed, was false when the Patent Office acted on it, and is false now. A reissue obtained by

falsehood, which can hardly be said to be legally unintentional, ought not to stand.

THE PRIOR ART.

Aside from the question of the validity of the reissue, an examination of the patents of the prior art conclusively shows that Vandenburgh's original patent was anticipated in every aspect. Vandenburgh's whole idea was a *rigid beam*, composed of a helix with turns slanting in opposite directions from its middle point and attached rigidly to a spacer, only a single spacer being used, except in the case of Figure 6, and in no case showing a coil attached to two spacers; that the device was not collapsible, but formed a truss; that the defendant's device is collapsible, does not form a truss, and was independently devised by the defendant, as is conceded, as "the natural and obvious" way of attaching the coil of wire to the two spacers so as to make the device collapsible; and that no part of this was due to any knowledge of the plaintiff's patent.

This brings us to a discussion of what is shown in the prior art; because, even assuming the validity of the plaintiff's patent, if the same result had been accomplished by others then we may take from the prior art the elements of his structure and combine them in any way we see fit; if we do not use his fundamental idea in making this combination, then obviously we do not infringe. And furthermore, if the assembling of the elements, even in the exact form shown by plaintiff, is "the natural and obvious" way of assem-

bling them, then equally naturally and obviously there is no invention present, and the plaintiff's patent can not be sustained.

In the brief of the petitioner, Concrete Steel Company, between pages 46 and 49, illustrations of the prior art patents and structures are to be found. These drawings and reproductions of patents clearly anticipate the alleged invention of Vandenburgh.

CONCLUSION.

It is submitted that in the many courts which have passed upon this reissue of Vandenburgh, all have been of the opinion that claims 1 and 2 are invalid, as being improperly reissued. In other claims the courts have found it unnecessary to consider that aspect, as noninfringement has been repeatedly held. This holding of course relieves the particular court of the necessity of holding them invalid for any of the reasons applied to claims 1 and 2. The United States in filing this memorandum respectfully calls the court's attention to the invalidity of the reissued patent *in toto* as distinct from the invalidity of any of its particular claims.

Respectfully,

JAMES M. BECK,
Solicitor General.

ROBERT H. LOVETT,
Assistant Attorney General.

MELVILLE D. CHURCH,
Attorney.

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IN THE

SUPREME COURT OF THE UNITED STATES.

October Term, 1921.

CONCRETE STEEL COMPANY, Petitioner, v. GEORGE E. VANDENBURGH,	No. 674.

Stipulation.

The Court consenting thereto, it is Stipulated and Agreed that a certified copy of the final or second opinion of the Circuit Court of Appeals in this case, prepared by his Honor Judge Mayer, shall be filed in the office of the Clerk and printed copies thereof attached to the Transcript of Record in this case with the same force and effect as if the opinion had formed part of the original Transcript.

THOMAS J. JOHNSTON,
Counsel for Concrete Steel Company,
Petitioner.

O. ELLERY EDWARDS,
Counsel for George E. Vandenburgh.

Dated, New York, N. Y.,
September 25, 1922.

Opinion.

UNITED STATES CIRCUIT COURT OF APPEALS,

FOR THE SECOND CIRCUIT.

No. 120—October Term, 1921.

Argued November 17, 1921.
Decided December 14, 1921.

GEORGE E. VANDENBURGH,
Plaintiff-Appellant,

v.

CONCRETE STEEL COMPANY,
Defendant-Appellee.

Before: ROGERS, MANTON and MAYER,
Circuit Judges.

Appeals from the District Court of the United States for the Southern District of New York.

Carlos P. Griffin and *O. Ellery Edwards*, for Plaintiff.

Lucius E. Varney, Thomas J. Johnston and *Manvel Whittemore*, for Defendant.

Opinion.

Appeal from final decree of the District Court of the Southern District of New York in favor of plaintiff. Both parties appeal.

MAYER, *Circuit Judge*:

This is the ordinary patent infringement suit which now comes here on appeal from a final decree adjudging that plaintiff recover from defendant profits in the sum of $15,918.33 with interest from the date of the Master's report.

Originally, the District Court dismissed the bill for non-infringement but the decree was reversed for the reasons stated in 258 F. R. 143.

Thereafter, in due course, the usual interlocutory decree was entered, *inter alia*, referring the accounting to a Special Master. The Special Master reported that plaintiff was entitled to recover profits but not damages. The District Court sustained this report. Both the District Judge and the Master wrote opinions fully and carefully discussing the questions involved.

1. The patent has been considered by several courts, *Vandenburgh* v. *Electric Welding Company*, 259 F. R. 579, 263 F. R. 95; certiorari denied 253 U. S. 497; *Vandenburgh* v. *Truscon Steel Company* opinion of District Court for the Northern District of Ohio, Eastern Division dated September 23, 1920; and there have been differences of opinion.

The law of this case, however, is that set forth in this court's opinion per Judge Ward in 258 F. R. *supra*. The gist of the case may be recalled by the following quotation.

"These claims * * * (3 and 5 of the reissue) * * * should be construed consistently with the specifications, which are also literally the same in each patent, as meaning that the spiral coil is rigidly connected with the longitudinal bar at each point of contact. So construed the claim describes a continuous spiral rigidly and integrally connected with kerfs and spurs in the bar constituting a trusslike structure within the body of the concrete resisting lateral and longitudinal strains and which can be more cheaply manufactured than if the spiral were riveted or welded to the bar at each point of contact.

The defendant's witness Cummings frankly admits that this form of reinforcing structure was new in cement work and has come into general use. * * * The defendant's structure when set up to receive the concrete is exactly the same as plaintiff's except that the spiral coil is not rigidly fixed by kerfs and spurs on the bar. This enables the structure to be collapsed when not in use, a commercial improvement for purposes of shipment but which does not justify the defendant's appropriation of the plaintiff's structure."

Defendant's collapsible feature thus did not avoid infringement but merely added a commercial improvement for purposes of shipment.

It is contended by defendant that the case is one for apportionment of profits and that Court and Master erred when they ascribed (as did plaintiff) the whole value of defendant's struc-

ture as a commercial article to the Vandenburgh patent feature.

The theory of defendant is that all or, in any event, part of the commercial value of defendant's structure was due to its collapsible feature and, but for this, the structure would not have have been saleable. Therefore, defendant contends that when plaintiff has not adduced any testimony that the structure is salable when not collapsible or of the profits due to collapsibility, plaintiff has failed to carry the burden of proof cast upon him. *Westinghouse* v. *Wagner Mfg. Co.*, 225 U. S. 604.

Defendant did not introduce any testimony in respect of apportionment. It relied on its contention that because plaintiff failed to produce testimony upon which an apportionment could be based, he would be entitled to nominal damages only.

It may be assumed from the testimony of plaintiff's witnesses that if the structure were shipped there would be a saving in freight. It may, also, be assumed that in some instances, owing to competitive conditions, the determining factor in a sale might be this saving. Yet, it is entirely plain that there never would have been any sale whatever without this Vandenburgh feature. It was the Vandenburgh "form of reinforcing structure" infringed by defendant, which was new in the art. The advantage according to the expert Thayer, over the method, in the prior art, of riveting or wiring is that "the method of wiring uses up a good deal of the section of the bar. It was wasted that way and riveting is also expensive."

Thayer also mentioned the collapsible feature as a part of what he called the "Vandenburgh method" but, with this, we do not agree, in view of our former decision.

It is entirely clear, however, that defendant would never have sold a dollar's worth of its devices had it not availed of plaintiff's patent. The cheapness of manufacture was due to plaintiff's disclosure, which, therefore, created defendant's device as a commercial commodity. Because, then, in some instances, the additional feature of collapsibility saved freight, it cannot be said that this feature placed the burden of showing apportionment on plaintiff.

The test is whether the invention of the patent gives the whole value to the infringing device. Obviously, it must, in a case where the sale of the article would be impossible without availing of the disclosure of the patent and, where the additional feature had no relation to the structure, *qua* structure, or to its shipment as such but only to reduce expense in transportation, accomplished by means which in no manner changed the character of the structure when used for the purposes for which it was designed.

If, therefore, the saving of freight was an accounting element, the burden of so showing was on defendant.

Westinghouse v. *Wagner Mfg. Co.*, *supra.*

This is pecularily illustrated in this case.

Barbour, who is in charge of the details of the sales in defendant's New York office was called by plaintiff. He testified as follows:

> "Q41. In any event, these spirals are shipped collapsed, connected to some longitudinal bars, you understand that to be the subject matter of this suit? A. I understand that to be the subject matter of this suit, but the spirals are not all shipped in that way, not in my territory.
>
> Q42. What percentage are shipped in any other way? A. You mean the territory I know about, that is within New York City or a radius of 25 miles of New York City?
>
> Q43. Where you are selling? A. In New York City or a radius of 25 miles from New York, they ship what we call field assembled; that is, the coil wire is shipped, it is coiled to diameter and shipped separate as a coil, then the angles are punched and shipped separate, that is on account of a restriction.
>
> Q44. Assembled by you or assembled by the contractor? A. By the contractor on the job, what we call field assembly; that is an account of a restriction, I think it is, Metal Lathers Union; they won't allow us—they won't allow I don't know as I should say 'us', but they won't allow the contractors to use spiral in any other way in New York City or within a radius of 25 miles of New York."

The foregoing shows that a considerable business was done by defendant without the collap-

sible feature because of the "Union" restriction and, thus, destroys any contention that collapsibility was, in all instances, an indispensible requisite.

From what has been said *supra,* there was no obligation upon plaintiff to apportion the profits between the Vandenburgh features and the prior art. There was no standard of comparison and, on the evidence in this case, there was no occasion for that reason to apportion profits. See *Philadelphia Rubber Works Co.* v. *U. S. Rubber Reclaiming Works,* F. R. , recently decided by this court.

2. On the facts in the case as clearly set forth by the master and approved by Judge Knox, there was no evidence which afforded any basis for fixing the amount of a reasonable royalty. We think this question was wholly one of fact to be disposed of on settled principles which do not call for exposition.

3. Plaintiff urges that he is entitled to recover interest at six per cent. as to each item of profit from the date thereof as set forth in defendant's account. There is no evidence of wanton infringement. The mere fact that the courts held different views as to the claims of the patent is sufficient to negative any such suggestion.

In an infringment case, where there is a genuine controversy, it is settled in this circuit, that interest runs from the filing date of the Master's report.

Oehring against *Fox Typewriting Co.*, 251 F. R., 584;
Metallic Rubber Tire Co. v. *Hartford Rubber Works Company, supra.*
The Philadelphia Rubber Works Co. v. *U. S. Rubber Reclaiming Works, et al., supra.*

4. Plaintiff, contrary to defendant's contention was not guilty of laches and there were no intervening rights. Plaintiff has recovered profits only from August 15, 1916, the date of the reissue patent.

The decree is affirmed without costs on this appeal.

In view of the result, there is no occasion to deal further with the Master's motion to dismiss or affirm as to his allowance.

A true copy.

(Seal)

WM. PARKIN,
Clerk.